

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
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MAR 28 2001

Ref: 8P-AR

Francis J Schwindt, Chief Environmental Health Section State Department of Health P.O. Box 5520 Bismarck, North Dakota 58506-5520

Dear Fritz:

The purpose of this letter is to follow up on our January 10, 2001 meeting in Bismarck and on your subsequent March 13, 2001 letter with the Department of Health's commitments regarding the violations of the prevention of significant deterioration (PSD) increments for sulfur dioxide (SO2). As was discussed in our meeting, EPA is very concerned about the PSD increment violations, which have been modeled by the Department of Health in conjunction with Minnkota Power Cooperative's request to increase production at its Milton R. Young coal-fired power plant. Although we know the State denied the permit to increase production at Minnkota, a subsequent analysis submitted to EPA by your staff on April 19, 2000 showed that, even without Minnkota's increase in SO2 emissions, there were still numerous violations of the three-hour and twenty four-hour PSD increments for SO2 modeled in four Class I areas — Theodore Roosevelt National Park (in all three units) and the Lostwood Wilderness Area, as well as the Medicine Lakes Wilderness Area and the Fort Peck Class I Indian Reservation, both of which are within Montana.

As you know, the Clean Air Act provides that the increments are not to be exceeded and that the State Implementation Plan (SIP) must contain measures assuring that the increments will not be exceeded. In addition, EPA's PSD regulations require that the SIP be revised to correct any increment violations which the State or EPA determines are occurring. (See 40 CFR 51.166(a)(3).) Because we had information that these Clean Air Act requirements were being violated, EPA contemplated issuing a SIP call to require North Dakota to revise its SIP.

In our January 10, 2001 meeting, you explained that the State needs to refine its previous modeling analysis before you could determine the appropriate control strategy to address the violations. You also expressed concern about the imposition of a formal SIP call. Instead, you pledged that the State would initiate refinements to the modeling analysis and would adopt revisions to the SIP as may be necessary to protect the PSD increment based on the revised analysis. I was very pleased with the State's willingness to address the increment violations in a

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timely manner and appreciate the opportunity to address these violations through a partnership effort with the State in lieu of a formal SIP call. Thus, in light of your March 13, 2001 commitment letter, EPA will not initiate formal action to call for a SIP revision to address these violations. We acknowledge that the State needs to refine the modeling analysis to better determine the appropriate control strategy(ies) to address the violations, and we look forward to working with you and your staff to determine an acceptable modeling protocol. We also look forward to assisting the State in developing an acceptable control strategy(ies) to address the increment violations, including adequate time frames for implementation which may vary depending on the control strategy(ies) ultimately required by the State.

We note the following commitments, as outlined in your March 13, 2001 letter:

- By April 1, 2001 The State will develop an air quality modeling protocol.
- By January 2, 2002 The State will complete its modeling analysis (or within nine months from the time EPA completes its review of the modeling protocol).
- By February 1, 2002 The State will provide EPA with a summary of its modeling analysis.
- By August 1, 2003 The State will complete a SIP revision to resolve the increment issue (if the modeling analysis shows that the increment is exceeded).

If the State does not meet these commitments, or if the State and EPA cannot agree on an acceptable modeling protocol or on acceptable control measures, then EPA may decide at some point in the future to initiate a formal SIP call.

As agreed to in our January 10, 2001 meeting, EPA will publish an informational notice in the Federal Register in the near future to inform the public of the process by which the State and EPA intend to address these increment violations; however, this information notice will not make the State's commitments legally binding in any way. We will send you a copy once it is published in the Federal Register.

If you have any questions regarding this matter, please feel free to contact me at 303-312-6005. We look forward to working with you to resolve the PSD increment issues in these Class I airsheds.

Sincerely,

Richard R. Long/Di

Air and Radiation Program

cc: Jeff Burgess, NDDH

Christine Shaver, NPS

Sandra Silva, USFWS

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NORTH DAKOTA DEPARTMENT OF HEALTH **Environmental Health Section**

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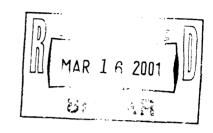
Location:

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Fax #: 701-328-5200

March 13, 2001

Richard R. Long, Director Air and Radiation Program **USEPA Region 8** 999 18th Street - Suite 300 Denver, CO 80202-2466



Dear Dick:

On behalf of the Department, I would like to thank you and your staff for coming to Bismarck on January 10th to meet with us in regard to EPA's proposed SIP call. We feel that the time was well spent, and we were pleased with your willingness to work with us in addressing the PSD sulfur dioxide increment issues.

As discussed in our meeting, we agreed that the Department would have additional time to update and refine the increment consumption analyses based upon 1999 and 2000 stationary source emissions data. The Department will develop an air quality modeling protocol by April 1, 2001 that addresses source emissions, modeling parameters and other appropriate matters. EPA will strive to complete its review of the protocol within 30 days. The Department will then complete its modeling analysis by January 2, 2002 or within nine months from the time EPA completes its review of the modeling protocol and provide EPA with a summary of our analysis by February 1, 2002. If the modeling analysis shows that the increment is exceeded, the Department will develop a work plan with a goal of completing a SIP revision by August 1, 2003 to resolve the increment issue.

We appreciate your Agency's willingness to work with the State of North Dakota so that we can continue to maintain clean air for our citizens and fulfill our responsibilities under the Clean Air Act. We also recognize EPA has responsibilities under the Clean Air Act and may proceed to issue a SIP call if the State cannot meet the above commitments. If you have any questions or comments on the above, please call me at 701-328-5150.

Francis J. Schwindt, Chief Environmental Health Section

FJS:cc